



CANADIAN PALLADIUM

FOR IMMEDIATE RELEASE

CANADIAN PALLADIUM EXTENDS EAST BULL PALLADIUM DEPOSIT WITH 13 METRES GRADING 1.85 g/t PALLADIUM EQUIVALENT AND ADVANCES METALLURGICAL TEST WORK

Vancouver, British Columbia, February 3, 2022 – Canadian Palladium Resources Inc. (the "Company") (CSE: BULL) (OTCQB: DCNNF) (FSE: DCR1) has received new assay results for recently completed diamond drill holes on the Company's East Bull Palladium Deposit, located 90 km west of Sudbury, Ontario (the "Property"). These holes extend the East Bull Deposit on strike for approximately 250 m to the east. Additionally, the Company is pleased to announce that a metallurgical test work program on the mineralization is in progress.

Drill Results – Highlights from holes EB-21-63 and 64 include:

- Hole EB-21-63 had a **7.0 m intersection grading 2.13 g/t PdEq** and an additional **6.0 m at 1.57 g/t PdEq** in the Valhalla Zone;
- Hole EB-21-64 had a wide **13.0 m intersection grading 1.85 g/t PdEq** in the Valhalla Zone.

Wayne Tisdale, Canadian Palladium's CEO, commented "Our drilling program has continued to increase the size of the East Bull Deposit. We have decided to include the palladium mineralization intersected by these successful holes along with additional holes on the west side of the Property in in our updated Resource Estimate. Consequently, the updated Resource Estimate will now be released in February 2022."

The current results are part of a 20,000 m drill program with a primary objective of expanding the current Inferred Resource and discovery of new mineralization. See Figure 1 showing the hole locations.

East Bull Palladium Deposit, Significant Drill Intersections, Drill Holes EB-21-63 and EB-21-64

DDH#	Zone	Az/Dip	From (m)	To (m)	Width (m)	Pd g/t	Pt g/t	Au g/t	Cu %	Ni %	Co %	2PGM+ Au g/t	PdEq g/t
EB-21-63	Valhalla	180°/-60°	109	116	7	1.048	0.439	0.080	0.135	0.059	0.007	1.568	2.133
and	Valhalla		125	131	6	0.694	0.270	0.058	0.138	0.071	0.009	1.021	1.574
EB-21-64	Valhalla	180°/-60°	92	105	13	0.927	0.412	0.044	0.101	0.054	0.008	1.383	1.850

Pd-Eq grade based on parameters in the May 23, 2019, NI 43-101 Resource Estimate and Technical Report. Metal prices are based on 24-month trailing averages at January 31, 2018. In US\$ these prices are: Pd – \$767/oz; Pt – \$973/oz; Rh – \$1,000/oz; Au – \$1.262/oz; Cu – \$2.53/lb; Ni – \$4.62/lb; Co – \$20/lb.

The Valhalla Zone palladium mineralization is primarily hosted within a 45-degree-north-dipping vari-textured melagabbro unit near the basal contact of the East Bull gabbro. Drilling has successfully focused on testing the strike and downdip extensions of this contact-type mineralization that is typically tens of metres thick.

The diamond drill holes were all drilled at an azimuth of 180° with inclinations of -60°. Reported widths are drilled widths. True widths estimated to be 90% of the intersections for the Valhalla Zone. In addition to results reported here, rhodium is being analyzed and will be reported at a later date.

Metallurgical test work program - The Company is also pleased to report that a metallurgical test work program on the East Bull Palladium Deposit is in progress. The primary purpose of the metallurgical study is to characterize the sulphide mineralogy, and evaluate potential metal recoveries and concentrate quality for the East Bull Deposit. Two representative 40 kg test samples of the platinum group metal-copper-nickel mineralization from recent drill core obtained from each of the Valhalla and Garden Zones are being processed by SGS Canada Inc. of Lakefield, Ontario (SGS).

This is the first metallurgical study of the Company's East Bull Deposit. A mineralogical study completed for a previous operator identified the major sulphide minerals as pyrrhotite, chalcopyrite, pentlandite, and pyrite with associated platinum group minerals (PGM) and native gold. The PGM include kotulskite (PdTe), froodite (PdB₁₂), merenskyite (PdTe₂), michenerite (PdB₁₂Te), sperrylite (PtAs₂), platarsite (PtAsS), and hollingworthite (RhAsS). Since the PGM are closely associated with the major sulphide minerals, flotation of a sulphide concentrate is being evaluated to recover precious metals.

SGS has completed feed characterization studies including head assays, sulphide mineralogy, Bond abrasion and ball mill tests. The flotation testing will consist of batch rougher and cleaner tests to evaluate recovery and concentrate grade expectations. The metallurgical study is well advanced. The results are expected in Q1 2022 and will be the subject of a future press release.

Wayne Tisdale further stated that "Canadian Palladium is pleased to be advancing the East Bull Project to the stage of metallurgical test work. This clearly represents a transition in our exploration program as we move from definition drilling to evaluating the development of this significant palladium resource."

Drill Program QA/QC – This phase of the drilling program was carried out under the supervision of Garry Clark, P. Geo., of Clark Exploration Consulting, a Qualified Person as defined in NI 43-101. Drill core samples were split using a rock saw by Company staff, with half retained in the core box and stored in the Company's facility in Massey, Ontario. The drill core samples were transported in sealed bags by courier to Activation Laboratories ("Actlabs") in Ancaster, Ontario. Actlabs is an independent ISO/IEC 17025 certified laboratory. PGE analysis was performed using a 30 grams fire assay with an ICP-MS or ICP-AES finish. Multi-element analyses, including copper and nickel were analysed by four acid digestion using 0.25 grams with an ICP-AES finish.

Certified standards, blanks and crushed duplicates are placed in the sample stream at a rate of one QA/QC sample per 10 core samples. Results are analyzed for acceptance at the time of import. All standards associated with the results in this press release were determined to be acceptable within the defined limits of the standard used.

Mr. Garry Clark, P. Geo., of Clark Exploration Consulting, is the “Qualified Person” as defined in NI 43-101, who has reviewed and approved the technical content in this press release.

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Reader Advisory

This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to the proposed timing and completion of the private placement and the proposed use of proceeds from the private placement. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada and globally; industry conditions, including governmental regulation and environmental regulation; failure to obtain industry partner and other third party consents and approvals, if and when required; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; liabilities inherent in water disposal facility operations; competition for, among other things, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, processing and transportation problems; changes in tax laws and incentive programs; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Figure 1. Drill intersections reported in this release relative to the East Bull Palladium Deposit. Base map is an airborne total field magnetic survey.

